



# ZIEGLER CHEMICAL & MINERAL CORP.

100 JERICO QUADRANGLE, JERICO, NEW YORK 11753

TEL: 516-681-9600

FAX: 516-681-9604

<http://www.zieglerchemical.com>

*m/047/013*

July 24, 2000

Mr. D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas, and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Dear Wayne,

Thank you for your letter of July 20. We appreciate your conditional approval of the I-2 mine. Enclosed are the four reclamation surety bonds to replace the ones from Frontier Insurance Company. The largest of which was increased due to the new information provided. The other outstanding items will be sent to you shortly, as we would like to begin work at the I-2 site soon.

If we can be of any further assistance, please contact me or Gayle McKeachnie's office.

Sincerely,

ZIEGLER CHEMICAL & MINERAL CORP.

*Chip Ziegler*

Chip Ziegler  
Executive Vice President

Encl.

cc: G. McKeachnie  
G.S. Ziegler, Jr.  
W.J. Hyland  
S. Wagner

**RECEIVED**

**JUL 25 2000**

**DIVISION OF  
OIL, GAS AND MINING**

Dated: July 14th, 2000

NOTICE OF CANCELLATION

RE: FRONTIER INSURANCE COMPANY

Bond No.  
Principal

ZIEGLER CHEMICAL & MINERAL CORP.

DBA:  
Eff. Date  
Amount

6/10/2000  
\$ 126,000.00

TO: STATE OF UTAH, DEP'T. OF NATURAL RESOURCES  
1594 WEST NORTH TEMPLE  
SALT LAKE CITY, UT 84114-5801

Gentlemen:

You are hereby notified that FRONTIER INSURANCE COMPANY elects to cancel the bond captioned above in its entirety, in accordance with the terms of said bond. This cancellation is to take effect: 90 DAYS AFTER THE RECEIPT OF WRITTEN NOTICE.


Reason for cancellation:

BOND IS BEING REWRITTEN

Very truly yours,

FRONTIER INSURANCE COMPANY

By:

  
SPENCER H. ZETTLER  
ATTORNEY-IN-FACT

cc: ZIEGLER CHEMICAL & MINERAL CORP.  
100 JERICO QUADRANGLE, JERICO, NY 11753

cc: FRONTIER INSURANCE COMPANY  
2636 ELM HILL PIKE, NASHVILLE, TN 37214

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JUL 25 2000

DIVISION OF  
OIL, GAS AND MINING